

HOUSE BILL 1340

C5

0lr3269

By: **Delegate Davis**

Introduced and read first time: February 18, 2010

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 24, 2010

CHAPTER _____

1 AN ACT concerning

2 **Electric Companies and Gas Companies – Customer Account Information**

3 FOR the purpose of requiring an electric company, a gas company, or an electric and
4 gas company, on a certain request by a certain competitive supplier of electricity
5 or gas, to provide certain information related to certain customer accounts to
6 the supplier, subject to a certain restriction; requiring the distribution utility to
7 provide the information in a certain form and to update it periodically;
8 prohibiting a distribution utility from providing certain information without the
9 prior authorization of a certain customer; providing the method by which a
10 distribution utility must obtain the customer's authorization, including
11 requiring certain notice to be provided containing certain information; requiring
12 the notice to be provided to certain customers at certain times; establishing
13 when a customer is deemed to have given certain authorization; authorizing a
14 customer to withdraw authorization in a certain manner; requiring a
15 distribution utility to ensure that certain information is not shared under
16 certain circumstances; requiring a distribution utility to notify a certain
17 competitive supplier that a certain customer has withdrawn certain
18 authorization; requiring a competitive supplier to redact certain information
19 from its records under certain circumstances and refrain from contacting a
20 certain customer in a certain manner under certain circumstances; requiring
21 the Public Service Commission to ~~establish a certain fee in a certain manner to~~
22 ~~cover certain costs~~ allow a distribution utility to recover certain costs directly
23 from a competitive supplier; providing that a competitive supplier may use
24 certain information only for a certain purpose; prohibiting a competitive
25 supplier from selling or providing certain information to any other person, with

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 a certain exception; authorizing a competitive supplier to provide certain
 2 information to an authorized agent for a certain purpose; providing that the
 3 authorized agent is subject to the same restrictions on the use, sale, or provision
 4 of the information as the competitive supplier; requiring a certain competitive
 5 supplier to include certain information in certain marketing materials sent to
 6 certain customers; providing for the application of this Act to certain gas
 7 suppliers under certain provisions of law; providing that this Act does not apply
 8 to an electric cooperative or a gas cooperative; defining certain terms; and
 9 generally relating to electricity, gas supply, and customer account information.

10 BY adding to

11 Article – Public Utility Companies
 12 Section 7–510.1 and 7–604(c)
 13 Annotated Code of Maryland
 14 (2008 Replacement Volume and 2009 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – Public Utility Companies**

18 **7–510.1.**

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
 20 MEANINGS INDICATED.

21 (2) “COMPETITIVE SUPPLIER” MEANS:

22 (I) AN ELECTRICITY SUPPLIER LICENSED UNDER THIS
 23 SUBTITLE; OR

24 (II) A GAS SUPPLIER LICENSED UNDER SUBTITLE 6 OF THIS
 25 TITLE.

26 (3) “DISTRIBUTION UTILITY” MEANS AN ELECTRIC COMPANY, A
 27 GAS COMPANY, OR AN ELECTRIC AND GAS COMPANY.

28 (B) THIS SECTION DOES NOT APPLY TO AN ELECTRIC COOPERATIVE OR
 29 A GAS COOPERATIVE.

30 (C) (1) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ON THE
 31 WRITTEN REQUEST OF A COMPETITIVE SUPPLIER LICENSED BY THE STATE, A
 32 DISTRIBUTION UTILITY SHALL PROVIDE THE COMPETITIVE SUPPLIER WITH THE
 33 FOLLOWING CUSTOMER ACCOUNT INFORMATION FOR EACH RESIDENTIAL,
 34 CUSTOMER AND SMALL COMMERCIAL, AND MEDIUM COMMERCIAL CUSTOMER
 35 LOCATED IN THE SERVICE TERRITORY OF THE DISTRIBUTION UTILITY:

- 1 **(I) THE ACCOUNT NAME ~~AND NUMBER~~;**
2 **(II) THE BILLING ADDRESS;**
3 **(III) THE SERVICE ADDRESS;**
4 **(IV) THE UTILITY RATE CLASS;**
5 **(V) THE STANDARD OFFER SERVICE TYPE, IF ANY;**
6 **(VI) THE LOAD PROFILE;**
7 **(VII) THE POWER USAGE FOR THE PRECEDING 12-MONTH**
8 **PERIOD FOR EACH TYPE OF POWER; AND**
9 **(VIII) THE TYPE OF POWER SUPPLIED TO THE CUSTOMER:**
10 1. GAS;
11 2. ELECTRICITY; OR
12 3. GAS AND ELECTRICITY.

13 **(2) A DISTRIBUTION UTILITY SHALL PROVIDE THE INFORMATION**
14 **REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN ELECTRONIC FORM**
15 **AND UPDATE THE INFORMATION AT LEAST FOUR TIMES EACH YEAR.**

16 **(D) (1) A DISTRIBUTION UTILITY MAY NOT PROVIDE CUSTOMER**
17 **ACCOUNT INFORMATION UNDER SUBSECTION (C) OF THIS SECTION WITHOUT**
18 **THE PRIOR AUTHORIZATION OF THE CUSTOMER NAMED ON THE ACCOUNT.**

19 **(2) (I) TO OBTAIN THE AUTHORIZATION OF A CUSTOMER, A**
20 **DISTRIBUTION UTILITY SHALL SEND THE CUSTOMER NAMED ON THE ACCOUNT**
21 **WRITTEN NOTICE OF:**

22 1. THE TYPE OF ACCOUNT INFORMATION THAT
23 WOULD BE PROVIDED TO A COMPETITIVE SUPPLIER;

24 2. THE RIGHT OF THE CUSTOMER TO:

25 A. REFUSE TO AUTHORIZE THE DISTRIBUTION
26 UTILITY TO SHARE INFORMATION REGARDING THE CUSTOMER'S ACCOUNT; OR

27 B. WITHDRAW AN EARLIER AUTHORIZATION; AND

1 **3. THE MANNER IN WHICH THE CUSTOMER IS**
2 **REQUIRED TO INDICATE A REFUSAL OF AUTHORIZATION OR A WITHDRAWAL OF**
3 **A PREVIOUS AUTHORIZATION.**

4 **(II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF**
5 **THIS PARAGRAPH SHALL BE PROVIDED:**

6 **1. AS PART OF THE WRITTEN MATERIALS SUPPLIED**
7 **TO NEW CUSTOMERS WHEN THE CUSTOMER APPLIES FOR SERVICE; AND**

8 **2. AS A BILL INSERT TO EXISTING CUSTOMERS PRIOR**
9 **TO THE FIRST TIME THAT THE DISTRIBUTION UTILITY PROVIDES INFORMATION**
10 **UNDER THIS SECTION.**

11 **(3) (I) A CUSTOMER IS DEEMED TO HAVE AUTHORIZED A**
12 **DISTRIBUTION UTILITY TO PROVIDE INFORMATION ABOUT THE CUSTOMER'S**
13 **ACCOUNT UNDER THIS SECTION IF, WITHIN 45 DAYS AFTER NOTICE IS GIVEN**
14 **UNDER THIS SUBSECTION, THE CUSTOMER DOES NOT INFORM THE**
15 **DISTRIBUTION UTILITY OF THE CUSTOMER'S REFUSAL IN THE MANNER**
16 **PRESCRIBED BY THE NOTICE.**

17 **(II) 1. A CUSTOMER MAY WITHDRAW AUTHORIZATION AT**
18 **ANY TIME BY NOTIFYING THE DISTRIBUTION UTILITY IN THE MANNER**
19 **PRESCRIBED BY THE NOTICE.**

20 **2. IF A CUSTOMER WITHDRAWS AUTHORIZATION,**
21 **THE DISTRIBUTION UTILITY SHALL:**

22 **A. ENSURE THAT THE CUSTOMER'S ACCOUNT**
23 **INFORMATION IS NOT PROVIDED IN THE NEXT UPDATE; AND**

24 **B. NOTIFY THE COMPETITIVE SUPPLIER THAT THE**
25 **CUSTOMER HAS WITHDRAWN AUTHORIZATION.**

26 **3. ON RECEIVING NOTICE FROM A DISTRIBUTION**
27 **UTILITY THAT A CUSTOMER HAS WITHDRAWN AUTHORIZATION UNDER THIS**
28 **PARAGRAPH, THE COMPETITIVE SUPPLIER SHALL:**

29 **A. REDACT THE CUSTOMER'S INFORMATION FROM**
30 **ITS RECORDS; AND**

31 **B. REFRAIN FROM CONTACTING THE CUSTOMER**
32 **DIRECTLY BY MAIL OR TELEPHONE TO MARKET SERVICES TO THE CUSTOMER.**

1 **(III) A DISTRIBUTION UTILITY MAY NOT INCLUDE IN THE**
2 **INFORMATION PROVIDED UNDER SUBSECTION (C) OF THIS SECTION CUSTOMER**
3 **ACCOUNT INFORMATION OF A COMMERCIAL CUSTOMER THAT IS RECEIVING**
4 **ELECTRICITY SUPPLY OR GAS SUPPLY FROM A COMPETITIVE SUPPLIER.**

5 **~~(E) (1) THE COMMISSION SHALL SET A FEE THAT A COMPETITIVE~~**
6 **~~SUPPLIER SHALL PAY TO THE DISTRIBUTION UTILITY FOR PROVIDING THE~~**
7 **~~INFORMATION PROVIDED UNDER SUBSECTION (C) OF THIS SECTION TO THE~~**
8 **~~COMPETITIVE SUPPLIER.~~**

9 **~~(2) THE COMMISSION SHALL SET THE FEE IN AN AMOUNT~~**
10 **~~SUFFICIENT TO REIMBURSE THE DISTRIBUTION UTILITY FOR ALL COSTS~~**
11 **~~ARISING FROM CREATING, MAINTAINING, AND PROVIDING THE INFORMATION~~**
12 **~~PROVIDED UNDER SUBSECTION (C) OF THIS SECTION, INCLUDING THE COSTS OF~~**
13 **~~PROVIDING THE CUSTOMER NOTICE REQUIRED UNDER SUBSECTION (D)(2) OF~~**
14 **~~THIS SECTION. THE COMMISSION SHALL ALLOW THE DISTRIBUTION UTILITY TO~~**
15 **RECOVER THE PRUDENTLY INCURRED COSTS, AS THE COMMISSION**
16 **DETERMINES, OF PROVIDING THE INFORMATION UNDER SUBSECTION (C) OF**
17 **THIS SECTION DIRECTLY FROM THE COMPETITIVE SUPPLIER THAT REQUESTED**
18 **THE INFORMATION.**

19 **(F) (1) A COMPETITIVE SUPPLIER MAY USE THE INFORMATION**
20 **OBTAINED UNDER THIS SECTION ONLY TO MARKET SERVICES RELATED TO**
21 **ELECTRICITY AND GAS SUPPLY.**

22 **(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
23 **PARAGRAPH, A COMPETITIVE SUPPLIER MAY NOT SELL OR PROVIDE ANY**
24 **INFORMATION OBTAINED UNDER THIS SECTION TO ANY OTHER PERSON,**
25 **INCLUDING AN AFFILIATE OF THE COMPETITIVE SUPPLIER.**

26 **(II) A COMPETITIVE SUPPLIER MAY PROVIDE INFORMATION**
27 **OBTAINED UNDER THIS SECTION TO AN AUTHORIZED AGENT TO DEVELOP OR**
28 **IMPLEMENT A MARKETING CAMPAIGN IN ACCORDANCE WITH PARAGRAPH (1)**
29 **OF THIS SUBSECTION.**

30 **(III) AN AUTHORIZED AGENT OF A COMPETITIVE SUPPLIER**
31 **THAT HAS OBTAINED INFORMATION UNDER SUBPARAGRAPH (II) OF THIS**
32 **PARAGRAPH IS SUBJECT TO THE SAME RESTRICTIONS ON THE USE, SALE, OR**
33 **PROVISION OF THE INFORMATION TO WHICH THE COMPETITIVE SUPPLIER IS**
34 **SUBJECT UNDER THIS SUBSECTION.**

35 **(G) A COMPETITIVE SUPPLIER SHALL INCLUDE IN ANY MARKETING**
36 **MATERIALS SENT TO A RESIDENTIAL CUSTOMER OR SMALL COMMERCIAL**

1 CUSTOMER INFORMATION ON HOW A CUSTOMER MAY CONTACT THE
2 CUSTOMER'S DISTRIBUTION UTILITY TO WITHDRAW AUTHORIZATION FOR THE
3 DISTRIBUTION UTILITY TO PROVIDE TO COMPETITIVE SUPPLIERS INFORMATION
4 ABOUT THE CUSTOMER'S ACCOUNT.

5 7-604.

6 (c) SECTION 7-510.1 OF THIS TITLE GOVERNS THE PROVISION TO A GAS
7 SUPPLIER BY A DISTRIBUTION UTILITY OF INFORMATION ABOUT RESIDENTIAL
8 CUSTOMERS AND SMALL COMMERCIAL CUSTOMERS.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2010.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.